

**UNITED STATES DISTRICT COURT
DISTRICT OF OREGON**

IN RE GALENA BIOPHARMA, INC.
SECURITIES LITIGATION,

CASE No.:3:14-cv-00367-SI
Judge: Hon. Michael Simon

**EXPEDITED CONSIDERATION
REQUESTED**

**DECLARATION OF LAURENCE ROSEN IN SUPPORT OF LEAD PLAINTIFFS’
EMERGENCY MOTION TO ENTER A SCHEDULING ORDER**

I, Laurence M. Rosen, hereby declare under penalty of perjury:

1. On behalf of Lead Plaintiffs Kisuk Cho, Anthony Kim, Pantelis Lavidas, and Joseph Buscema (“Lead Plaintiffs”) and in my capacity as Co-Lead Counsel, I have been engaged in intermittent settlement discussions, since at least October 2015, with counsel for Defendants Michael McCarthy and The DreamTeam Group LLC (collectively, the “DreamTeam Defendants”), and counsel for Defendants Kamilla Bjorlin and Lidingo Holdings, LLC (collectively, the “Lidingo Defendants”).

2. On October 30, 2015, in response to a communication from the DreamTeam Defendants counsel, Paul Huey-Burns, to discuss a settlement, I sent a letter to Mr. Burns discussing Lead Plaintiffs willingness to discuss a discounted settlement based on the DreamTeam Defendants ability to pay. The letter requested evidence of the DreamTeam Defendants financial condition, including “(a) a sworn declaration setting out DreamTeam’s financial condition and Mr. McCarthy’s personal finances, (b) DreamTeam’s balance sheet, and (c) last three years’ tax returns for both Mr. McCarthy and DreamTeam.” Attached hereto as Exhibit 1, is a true and correct copy of the foregoing letter.

3. On or around early May 2016, Lead Plaintiffs drafted a document titled “Term Sheet For Settlement of the Class Action Cases” settling Lead Plaintiffs claims against the Lidingo Defendants to be signed by counsel for Lead Plaintiffs and counsel for the Lidingo Defendants. Attached hereto as Exhibit 2, is a true and correct of the foregoing document.

4. On or around early May 2016, the Lidingo Defendants produced a letter to Lead Plaintiffs, dated March 11, 2015, that was purportedly sent from the Lidingo Defendants counsel to counsel for Lion Biotechnologies, Inc. (“Lion”), Troy Gould. In the letter, the Lidingo Defendants protested Lion’s decision to put a “stop” on 50,000 shares that were purportedly issued by Lion to the Lidingo Defendants pursuant to a consulting agreement between the Lidingo Defendants and Lion. Attached hereto as Exhibit 3, is a true and correct of the foregoing letter.

5. On or around early May 2016, the Lidingo Defendants produced a letter to Lead Plaintiffs, dated March 24, 2015, that was purportedly sent from counsel for Lion, Troy Gould, to counsel for the Lidingo Defendants. In the letter, counsel for Lion stated that as a result of the SEC’s investigation of Lidingo in connection with allegations that Lidingo allegedly paid bloggers through Lidingo to write promotional articles about Lion, without ever making the necessary disclosures required under the applicable securities laws, “Lion instructed the transfer agent to place a stop transfer restriction on the 50,000 shares that were issued to Lidingo” pursuant to the consulting agreement. Attached hereto as Exhibit 4, is a true and correct of the foregoing letter.

6. On October 20, 2016, I received an e-mail from counsel for the DreamTeam Defendants attaching the Affidavit of Michael McCarthy. Attached hereto as Exhibit 5, is a true and correct of the foregoing e-mail.

7. Attached hereto as Exhibit 6, is a true and correct copy of the Affidavit of Michael McCarthy, wherein Defendant Michael McCarthy attests that: (1) “I have no substantial personal assets from which to pay a large judgment”; (2) “Neither DreamTeam nor Mission IR, nor any of my other companies have ever carried any insurance whatsoever”; and (3) “My personal net worth, excluding my interest in my companies, is less than \$450,000.”

8. Attached hereto as Exhibit 7, is a true and correct copy of an e-mail I sent on December 13, 2016 to counsel for the DreamTeam Defendants containing a settlement offer of \$800,000 in cash to settle Lead Plaintiffs claims against the DreamTeam Defendants.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

New York, New York

Executed: January 18, 2017

/s/ Laurence Rosen
Laurence Rosen

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I electronically filed the foregoing with the Clerk of Court using the CM/ECF system which will send a notice of electronic filing to all counsel of record who have consented to electronic notification.

DATED: January 18, 2017

/s/ Phillip Kim

Phillip Kim